

#### STATE OF UTAH

# DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

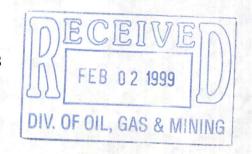
## 1594 West North Temple - Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

Telephone: (801) 538-5291

Fax: (801) 359-3940



### ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8. Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I.	Gene	eral Information				
	1.	Report Time Period: From (mo./yr.) 1/1/98 To (mo.yr.) 12/31/98				
	2.	DOGM File Number (Mine No): M / 045 / 008				
	3.	Mine Name: Rowley Magnesium Facility				
	4.	Mineral(s) Mined (or permitted to mine): Oolites				
	5.	Type of mine   Surface Mine or □ Underground Mine				
	6.	Legal Description (Location of Lands Affected):				
		1/4,1/4,1/4, Section, Township, Range				
		1/4,1/4,1/4, Section, Township, Range				
		1/4,1/4,1/4, Section, Township, Range				
	7.	Name of Operator or Company: <u>Magnesium Corporation of America</u>				
	8.	Permanent Street Address: 238 North 2200 West				
		City, State, Zip: Salt Lake City, Utah 84116				
		Phone: 801-532-2043				
	9.	Company Representative (or designated operator):				
		Name: Lee R. Brown				
		Title: Vice President				
		Business Address: 238 North 2200 West				
		City, State, Zip: Salt Lake City, Utah 84116				
		Phone: 801-532-2043				
		□ Please check if any of the above information has changed since previous year.				
П	Mini	ng and Reclamation				
	1.	Was there any mine related activity during the past year? Yes □ No ⊠				
	2.	If no - what was the last year of activity?				
	3.	If yes - how much ore or mineral was mined?				

, ,	4.	Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.				
		None.				
	5.	How much additional acreage was disturbed	during the past year? None			
	6.	How much acreage was reclaimed during the	past year?None			
	7.	Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.				
		None				
	8.	What is the <b>total disturbed acreage of entire</b>	project at years end? 50 Acres			
	9.	Briefly summarize any mining and/or reclamation plans for the upcoming year.				
		None				
NOTE:		Section III., "Additional Information" applies	only to large mining operations.			
III.	<u>Additi</u>	ional Information				
	1.	An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.				
	2.	Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.				
IV	<u>Signa</u>	ture Requirement				
	I hereby certify that the foregoing is true and correct.					
		Name (Typed or Print):	Lee R. Brown			
		Title of Operator:	Vice President			
		Signature of Operator:  Date:	1/26/99			
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		-2-	10027			
		DIV. OF OIL, G. MG				

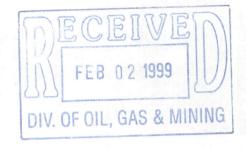


### MAGNESIUM CORPORATION OF AMERICA

238 North 2200 West - Salt Lake City, UT 84116-2921 801/532-2043 - 800/262-9624 - FACSIMILE 801/534-1407

January 26, 1999

D. Wayne Hedberg
Permit Supervisor
Department of Natural Resources
Div. of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City



RE:

Annual Report for the Year 1998

Attached per your instructions is the Annual Report for the year 1998 on Mine Nos. M/045/008 and M/045/022

Should you have any questions, please contact me at 801-532-2043 Ext. 573.

Sincerely,

Lee R. Brown Vice President

Magnesium Corporation of America

Attachments

CC:

T. Tripp

D. Silva Jr.